

CITY OF MILPITAS
MINUTES of: CITY COUNCIL (FINANCE) SUBCOMMITTEE
Date/Time: Wednesday, March 18, 2009 – 4:00 p.m.

- I. CALL TO ORDER:** Council Member Debbie Giordano called the meeting to order at 4:00 pm

Attendance:

City Manager: Thomas C. Williams
City Council: Council Member Debbie Giordano, Council Member Armando Gomez
Staff: Emma Karlen, Jane Corpus-Takahashi, Bryan Otake, Dennis Graham, Patricia Joki, Bill Marion, James Lindsay, Greg Armendariz, Kathleen Phalen, Ruben Grijalva, Bonnie Greiner, Aaron Bueno, Rosana Cacao, Keyvan Irannejad

- II. CITIZENS FORUM:** No Comments

- III. APPROVAL of MINUTES:** The January 14, 2009 meeting minutes were approved.

IV. ITEMS FOR DISCUSSION

A. Proposed Fee Increase / Adjustments from Various Departments - Parks & Recreation, Planning, Engineering, Building, Fire and Police

- **Bonnie Greiner, Parks & Recreation Service Director** – Presented proposed fee increases for some current City Recreation programs in addition to new program fees:

Milpitas Tidal Wave Swim Team – After a comparison with neighboring swim teams, the City of Milpitas fees are much lower. The recommendations are: Increase monthly fees for - Beginner group \$65; Junior group \$75 and Senior group \$85. The fee increase is proportionate with the allotted practice time. Increase the non-resident fee from \$20.00/month to \$50.00/month. After the proposed fee increases, the swim program fees would be average. The swim team is limited to 100 swimmers.

Councilmember Gomez would like the swim program to provide local preference to Milpitas residents. The Parks & Recreation Service Director will make the necessary clarification prior to the budget hearing process.

“Become a Local” Card - Over the past year there has been a decline in non-residents participating in City recreation classes. Staff is proposing a new program for non-Milpitas residents. Those interested in participating in recreation classes may purchase a yearly “locals” membership card for a fee. Membership would eliminate non-residents from paying the \$20.00 per class non-resident fee. The proposed fee for a family up to four is \$100/yr; and for a family up to eight is \$200/yr.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

Community Garden – Staff compared our community garden fees to neighboring community gardens and determined that Milpitas is well under the average fee rate. Staff is proposing to increase the fee to be in line with surrounding community gardens.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

Youth Sports Field User Fee – Many neighboring cities charge a Youth Sports Field User fee per child that participates on any sports team. Staff is proposing to similarly implement a fee of \$5.00 per child who participates on any Milpitas team. The fee will be applied towards field maintenance costs.

Council Members Armando Gomez and Debbie Giordano – Did not approve the proposed fee at this time. Recommendation was made for possible outreach, and further review would be needed.

- **James Lindsay, Planning Director** – Staff is proposing to eliminate the initial deposit amount currently within the Planning fee resolution. This will administratively allow adjusting the required deposit based on the complexity of an application. This is not an extra fee. The deposit will be used as a draw against the project. Additionally, there are about seven permit types that are currently shown as flat fees in the fee schedule. Staff is requesting that these be converted to the Private Job system in order to recover costs.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

- **Kathleen Phalen, Principal Civil Engineer** – Staff is recommending that water meter acquisition and installation fees for new projects be adjusted to cover current costs. The adjustments are to cover the fully loaded labor rate along with the meter cost. These fees were last adjusted in July 2006.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

- **Keyvan Irannejad, Chief Building Official** – The Building Department fee schedule went through a major revision in 2004 and a minor revision in 2006. The revisions were done in order to recover the “fully burdened” hourly costs. Staff conducted a fee survey of surrounding cities and the results indicate Milpitas is below average. Each year costs increase. Staff is proposing a 15% hourly rate fee increase for

inspections and a 9.4% plan check fee increase. The proposed increases will only affect larger additions and commercial projects.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

- **Ruben Grijalva, Interim Fire Chief** – Staff is proposing nominal fee increases in the Fire Prevention Bureau to recover the costs of hardware & software services to improve effectiveness in the Bureau as well as efficiency to be able to collect and manage data.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

- **Patricia Joki, Fire Marshal** – Fire Prevention has been streamlining internal processes. However, their current software and hardware are not able to keep up with the changes. Additional resources are necessary, but are not in their current budget. By updating the department's resources businesses could view their plan check and inspection results online, schedule inspections online, look at historical data online. The new hardware and software will enable staff to communicate with other agencies and meet the mandated requirement to share data with the state.

The Fire Department conducts approximately 5,700 activities yearly, such as facilities routinely inspected, fire life-safety permits, plans reviewed and annual permits. Following a cost calculation, the total estimated cost to update hardware and software resources is \$193,000. This cost can be recovered annually through an additional permitting fee per activity over the following optional periods: 3 years cost recovery @ \$11.28 per activity, 4 years cost recovery @ \$8.50 per activity or 5 years cost recovery @ \$6.77 per activity.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

- **Dennis Graham, Chief of Police** – In 2000 Milpitas City Council adopted Resolution No. 6988 authorizing an administrative tow fee of \$150.00. After calculating the "loaded cost" of \$641.00 related to a single tow, staff is proposing to increase the tow fee from \$150 to \$250 for the following type of tows: suspended and unlicensed drivers, drivers that are arrested, drivers involved in speed competition and vehicles with registrations that are six month or longer out of date.

Council Member Debbie Giordano – Indicated that the tow fee increase should be a minimum of \$300.

Tom Williams, City Manager – Indicated that the tow fee should be at least 75% cost recovery of the loaded fee, and recommended raising the tow fee to \$480.

B. Proposed Changes to Facility Use Rules and Regulations

Rosana Cacao, Recreations Volunteer Coordinator – The last amendment to the Facility Use Rules and Master Fee Schedule was in 2004. The proposed changes to the current Master Fee Schedule will provide language clarification in areas of facility use, rules and regulations, will further limit the City's liability of facility rentals along with increasing fees to be consistent with surrounding cities.

Council Member Debbie Giordano requested the Parks & Recreation Service Director provide the fee increases as percentages.

Tom Williams, City Manager – Recommended to schedule a meeting on April 15th to allow more time for Council Members to review the information presented.

C. Purchase of Park Land for the Transit Area

Tom Williams, City Manager – This item is being deferred to a future date. Negotiations are still in progress with Integral Partners on an OPA and development agreement to determine the level of funding for the RDA land purchase identified in the Transit Area Specific Plan. If an agreement is reached between the developer and staff, then staff will move forward with the acquisition.

D. Proposed Agreement with MCTV to Manage Cable Channel 26

Bill Marion, Director of Information Services – A concept behind the cable TV studio was that a private nonprofit organization could operate the studio for the City, thereby removing the City from a position of determining what is acceptable and eliminate the City from any situation that could claim censorship. A private nonprofit group was formed called Milpitas Community Television, and an agreement was developed to for this group to operate the studio. The City would provide funding over four years by applying the money due from Comcast under the cable TV franchise agreement. There would be no net cost to the City.

Council Members Armando Gomez and Debbie Giordano – There was no objection to the recommendation. The recommendation will go before the City Council for final approval.

E. Review of the FY 09-10 Capital Improvement Plan and Five-Year Plan

Greg Armendariz, Public Works Director/City Engineer – A slide presentation was made highlighting the summary of the 5-year Capital Improvement Project (CIP) program starting with FY09-10. The total CIP budget for FY09-10 is \$19Million. This year the CIP is heavily focused on the City's infrastructure. The various CIP fund categories are: community improvement, parks, streets, water projects, sewer & storm.

Several community improvement projects were bonded with FY2003 RDA bonds. Bids for the Sr. Center came in low, thus a portion of the Sr. Center budget is being defunded. A large portion of the budgeted money for streets is from outside funding. The Library Project came in around \$2 Million under budget. There is one new park project off Calle Oriente near Park Victoria. The City is facing aging infrastructure with the water/ sewer/storm systems. The City is working on emergency preparedness, seismic retrofitting of pump stations and fire hydrant replacement. The main sewage pump station retrofit project was complete and came in \$1 Million under budget. The Berryessa pump station storm improvement project was completed and came in \$200,000 + under budget.

Council Member Armando Gomez – Requested a review of the Parks Master Plan and the Sports Center Master Plan for any immediate needs over 3 yrs.

Bonnie Greiner, Parks and Recreations Supervisor – Review of the Parks Master Plan draft should be completed within next few months, and the final document should be ready in August.

Greg Armendariz, Public Works Director/City Engineer – Indicated that he and the Parks and Recreations Supervisor will be reviewing the Sports Center Master Plan. A new CIP will be necessary the second or third year of the five-year CIP. This would need to be a new CIP because there will be extensive revisions to the Master Plan and the revisions will need to be completed in phases.

V. OTHER BUSINESS

- VI. NEXT MEETING** – The next meeting will be scheduled April 15, 2009 in order to complete the discussion on the remaining Park & Recreation fees and an overall preview of the City budget.

VII. ADJOURNMENT